

INDIANA HOUSING FINANCE AUTHORITY
Rental Housing Finance Application
Trust Fund Supplement

A. Request for a Trust Fund Loan – RHTC applicants that want to simultaneously request a Trust Fund loan must submit each of the following:

- ☐ One copy of the entire RHTC submission (application and all supporting documents)
☐ One original of this 2002 Trust Fund Supplement application
☐ Five copies of this 2002 Trust Fund Supplement application

B. Trust Fund Applicant

Organization Legal Name _____
Chief Executive Officer (name and title) _____
Contact Person (name and title) _____
E-Mail Address _____
Street Address _____
City _____ State _____ Zip _____ County _____
Federal ID # _____ Phone _____ Fax _____

C. Development Location

Development Name _____
Development Street Address _____
City _____ State _____ Zip _____ County _____

D. Number of Units

Unit Type	SRO (without kitchen &/or bathroom)	0 Bdrm. (SRO with kitchen and bathroom)	1 Bdrm.	2 Bdrms.	3 Bdrms.	4 Bdrms.	Total
Trust Fund-Assisted (can be the same as HOME-assisted units)							
RHTC Only							
Market Rate							
Total Development							

E. Housing Activities

Activities to be Undertaken	Number of Units
New Construction	
Rehabilitation	
Conversion of Non-Residential Space	
Reconstruction	
Acquisition Only	
Total	

F. Funding Summary

HOME Request Trust Fund Loan Other Project Funds Total Project Costs
\$ _____ + \$ _____ + \$ _____ = \$ _____



FOR OFFICE USE ONLY:	Date Received:	Time Received:	By:
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G. Applicant Information

1. Applicant Type (check one)

- ☐ 501(c)(3) or 501(c)(4) Not-for-Profit Organization
☐ Public Housing Authority

2. Qualified Not-for-Profit

- a. Is one of the Applicant's exempt purposes the fostering of low-income housing? ☐ Yes ☐ No
b. Does the Applicant own an interest in the Development? ☐ Yes ☐ No
If yes, describe:
c. Will the Applicant materially participate in the development and operation of the Development? ☐ Yes ☐ No
d. Does the Applicant comply with all Sections of the Code applicable to not-for-profit organizations? ☐ Yes ☐ No
e. Does no part of the Applicant's net earnings inure to the benefit of any member, founder, contributor, or individual? ☐ Yes ☐ No
f. Will the Applicant (or the Applicant and any other qualified not-for-profit organization) own 100% of the profits, losses, capital, and other economic benefits for be derived from the Development (including developer fees)? ☐ Yes ☐ No
g. Will the Applicant (or the Applicant and any other qualified not-for-profit organization) maintain 100% of the voting and management control of the Development? ☐ Yes ☐ No

H. Trust Fund Unit Breakdown - List number of units, number of bedrooms, and total square footage for each size unit to be Trust Fund-Assisted by income category:

		SRO (w/o kitchen &/or bathroom)	0 Bdrm. (SRO with kitchen and bathroom)	1 Bdrm.	2 Bdrms.	3 Bdrms.	4 Bdrms.	Total	% of Total Trust Fund- Assisted Units
30% AMI	# Units								
	# Bdrms.								
	Sq. Footage								
40 % AMI	# Units								
	# Bdrms.								
	Sq. Footage								
Total Trust Fund Units	# Units								100%
	# Bdrms.								100%
	Sq. Footage								100%

I. Trust Fund Loan Terms

1. Loan Type (check one):

- ☐ Construction Loan Only
- ☐ Short-Term Permanent Loan Only
- ☐ Both Construction loan and Short-Term Permanent Loan

2. Proposed Loan Terms:

Amount Requested: \$ _____

Proposed Interest Rate: _____ %

Proposed Term: _____ years

Proposed Amortization Period: _____ years

3. Repayment Schedule (check one):

- ☐ Quarterly
- ☐ Semi-Annually
- ☐ Annually
- ☐ Other: _____

4. Repayment Plan (check all that apply):

Construction Loans

- ☐ Simple interest only payments with a balloon payment at the end of the term
- ☐ Simple interest only payments during construction with a change in payment terms at construction completion
- ☐ Other: _____

Short-Term Permanent Financing

- ☐ Principal and interest payments
- ☐ Principal and interest payments with a balloon payment at the end of the term
- ☐ Other: _____

5. Source of Repayment: Explain the loan repayment plan including the source of the loan payoff. If you are proposing a balloon repayment at the end of the loan term, you must provide written evidence of financing that will repay the Trust Fund balloon amount in TAB X.

6. Security: Explain the pledge of security for the loan, IHFA's security position (1st position , 2nd position, etc.), and whether the security is free and clear of liens.

J. Trust Fund-assisted units will be (check one):

- ☐ fixed (designated units)
☐ floating throughout the development

K. Extended Rental Housing Commitment

Will this Development commit to an extended affordability period?

- ☐ Yes, 5 additional years beyond the standard 15 year affordability period.
☐ Yes, 10 additional years beyond the standard 15 year affordability period.
☐ No, it will only be subject to the standard 15 year affordability period.

L. Trust Fund Match

- 1. Grants or Cash Donations** – List all grants or cash donations for the project from non-federal sources that do not require repayment and that count toward your match liability. Cash donations from the owner/developer do not count as eligible match. Attach letters of commitment from the grantor or donor when available in TAB X.

Grantor/Donor	Amount	Date of Application	Committed Yes/No - Date
	\$		<input type="checkbox"/> Yes / <input type="checkbox"/> No Date:
	\$		<input type="checkbox"/> Yes / <input type="checkbox"/> No Date:
	\$		<input type="checkbox"/> Yes / <input type="checkbox"/> No Date:
	\$		<input type="checkbox"/> Yes / <input type="checkbox"/> No Date:
Total	\$		

- 2. Below Market Interest Rate** – Use the space below to indicate the amount of interest saved by a below market interest rate charged by a lender for construction financing, permanent financing, or a mortgage. See CPD Notice 97-03 or your Development Specialist for further guidance. Attach a letter of commitment from the lender in TAB X.

Lender	Amount of Loan	Interest Rate	Amortization Period	Term	Amount of Interest Saved (see IHFA)
	\$				\$
	\$				\$
Total					\$

- 3. In-Kind Donations** – List all in-kind contributions to the acquisition and/or development phase, including construction materials, volunteer labor, waived fees, portion of sale price below appraised value, on-site or off-site infrastructure, etc. Attach letters of commitment, appraisal, or purchase agreement as verification when available in TAB X.

Donor	# of Volunteer Hours	Rate Per Hour (\$10 for unskilled labor)	Amount	Committed Yes/No If yes, give date
			\$	<input type="checkbox"/> Yes <input type="checkbox"/> No Date:

Donor	# of Volunteer Hours	Rate Per Hour (\$10 for unskilled labor)	Amount	Committed Yes/No If yes, give date
			\$	<input type="checkbox"/> Yes <input type="checkbox"/> No Date:
			\$	<input type="checkbox"/> Yes <input type="checkbox"/> No Date:
			\$	<input type="checkbox"/> Yes <input type="checkbox"/> No Date:
Total Amount			\$	

4. **In-Kind Supportive Services** – In the chart below indicate the value of any supportive services or homebuyer counseling that will be provided to the beneficiaries of this project and that will count toward your match liability. Also indicate who will be providing the services and enclose a letter of cooperation from that agency, if different from the applicant, in TAB X. If you need additional space, attach a description of these services in TAB X.

Provider	Description of Services	Cost of Services and Source of Funding	Committed Yes/No If yes, give date
		\$	<input type="checkbox"/> Yes <input type="checkbox"/> No Date:
		\$	<input type="checkbox"/> Yes <input type="checkbox"/> No Date:
		\$	<input type="checkbox"/> Yes <input type="checkbox"/> No Date:
Total		\$	

5. **Property Tax Abatement** – List the amount of the property tax abatement for each year. Your IHFA Development Specialist can assist with calculating the present value of these tax savings for purposes of determining the value of eligible match. Attach a letter of commitment from the jurisdiction providing the abatement in TAB X. See CPD Notice 97-03 or your Development Specialist for further guidance.

Total Amount of Annual Tax Liability: \$ _____ No. of Years Taxes are Abated: _____

Date Committed: _____ Discount Factor Used in Calculation: _____

Yr.	Amount of Abatement	Present Value of Abatement	Yr.	Amount of Abatement	Present Value of Abatement	Yr.	Amount of Abatement	Present Value of Abatement
1			5			9		
2			6			10		
3			7			11		
4			8			12		
Total								

M. Match Sources Re-cap

List only the amount of funding from the preceeding tables that are proposed to serve as match. (This may differ from the total amount of funding going into the development).

☐ Applicant resolution and other commitment(s) for each source of match must be attached (Tab X).

1. Total Trust Fund Loan Request \$ _____
- Required Match Amount – 10% \$ _____
- Proposed Match Amount (total from L. 1. – 5.) \$ _____

N. Uses of Trust Fund Loan

Description	Costs Applied to Trust Fund
Refinance Existing Permanent Debt	\$
Pay Off Construction Loan	\$
Acquisition of Land and/or Buildings	\$
New Construction Hard Costs	\$
Rehabilitation Hard Costs	\$
Lead Hazard Testing	\$
Total	\$

O. Accessibility

Complete questions below for each construction activity to be undertaken:

1. ☐ **New Construction** – Developments with four or more units

a. Mobility Impairments

_____ units Number of units to be made accessible to individuals with mobility impairments.

_____ units Divided by the total number of units in the Development.

_____ % Must meet or exceed 5% minimum requirement

b. Sensory Impairments

_____ units Number of additional units to be made accessible to individuals with hearing or vision impairments.

_____ units Divided by the total number of units in the Development.

_____ % Must meet or exceed 2% minimum requirement

c. Common Areas – Development must meet all of the items listed below:

☐ At least one building entrance must be on an accessible route.

☐ All public and common areas must be readily accessible to and usable by people with disabilities.

☐ All doors providing passage into and within all premises must be sufficiently wide for use by persons in wheelchairs.

d. Ground Floor / Elevator Floor Units - All ground floor units and all units on floors served by elevators must have:

☐ An accessible route into and through the dwelling.

☐ Accessible light switches, electrical outlets, thermostat, and other environmental controls.

☐ Reinforcements in bathroom walls to allow later installation of grab bars around the toilet, tub, and shower, when needed.

☐ Kitchens and bathrooms configured so that a person using a wheelchair can maneuver about the space.

2. ☐ **Rehabilitation – Substantial Alterations** – Alterations undertaken to a Development that has 15 or more units, and the rehabilitation costs will be 75% or more of the replacement cost of the completed facility.

a. Cost Comparison

\$ _____ Total rehabilitation cost

\$ _____ Divided by the total replacement cost

_____ % Must meet or exceed 75%



b. Mobility Impairments

_____ units Number of units to be made accessible to individuals with mobility impairments.

_____ units Divided by the total number of units in the Development.

_____ % Must meet or exceed 5% minimum requirement

c. Sensory Impairments

_____ units Number of additional units to be made accessible to individuals with hearing or vision impairments.

_____ units Divided by the total number of units in the Development.

_____ % Must meet or exceed 2% minimum requirement

d. Common Areas

Explain efforts to make common areas accessible.

3. ☐ **Rehabilitation – Other Alterations** – Alterations undertaken to a Development of any size that do not meet the regulatory definition of “substantial alterations.”

a. Indicate the method by which you determined your development falls into this category:

☐ Cost Comparison (less than 75%) or ☐ Development is less than 15 units.

\$ _____ Total rehabilitation cost

\$ _____ Divided by the total replacement cost

_____ % Must be less than 75%

b. Mobility Impairments

_____ units Number of units to be made accessible to individuals with mobility impairments.

_____ units Divided by the total number of units in the Development.

_____ % Must meet or exceed 5% minimum requirement, unless doing so would impose undue financial burdens of the operation of the Development. Explain below:

c. Common Areas

Explain efforts to make common areas accessible.

P. Sample Borrowing Resolution

**BORROWING RESOLUTION
OF
_____ – [Hereafter referred to as “Corporation”]
(APPLICANT)**

WHEREAS, the Corporation desires to borrow funds to be used in its programs and activities, according to its goals and objectives; and,

WHEREAS, the Indiana Housing Finance Authority (“IHFA”) has offered to lend to the Corporation money from the Low Income Housing Trust Fund (“Trust Fund”) according to the terms and conditions more particularly set forth in its application submitted by the Corporation; and

WHEREAS, the Corporation desires to borrow money from the Trust Fund, according to the terms and conditions contained in the loan agreement by and between IHFA and the Corporation.

NOW THEREFORE, BE IT RESOLVED THAT:

1. The Corporation be, and it hereby is authorized to submit a loan application on _____ (due date) to borrow up to \$ _____ from the Trust Fund according to the terms and conditions as are more particularly set forth in the Loan Agreement between IHFA and the Corporation, a copy of which will be attached hereto, made a part hereof and marked Exhibit “A,” pending IHFA loan approval, including, for purposes of illustration and not limitation, the granting of a mortgage and/or security interest in property of the Corporation to secure its borrowing; and
2. Funds in the amount of _____ Dollars (\$_____) shall be and are set aside for this project. Such commitment fulfills the minimum match requirement for the Trust Fund request and is to be contingent upon receipt of the Trust Fund loan from the Indiana Housing Finance Authority. The anticipated source of matching funds is _____.

FURTHER RESOLVED, that the following officer(s) of the Corporation:

be, and they hereby are, authorized, empowered and directed to execute, acknowledge and deliver in the Corporation’s name and on its behalf any and all promissory notes, loan agreement documents, instruments or writings, as are necessary and/or as appropriate to consummate this borrowing and the granting of the security for such loan from the Trust Fund.

APPROVED AND ADOPTED, this _____ day of _____, 20_____, in _____, Indiana.

BORROWER: _____

Signed By: _____

Title: _____

ATTEST: _____

TITLE: _____

Q. Indiana Low Income Housing Trust Fund – Assurances and Certifications

The Applicant represents and warrants that it will comply with the following laws and regulations:

1. The Federal Civil Rights Act of 1968 (PL 90-284);
2. The Federal Fair Housing Amendments of 1988 (PL 100-430);
3. The Indiana Civil Rights Law (IC 22-9-1) (PL 69-1989, Section 4).
4. Executive Order 90-5, Drug-Free Workplace Certification; The Contractor/Grantee certifies that it will provide a drug-free workplace by:
 - a. Publishing and providing to all of its employees a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition; and
 - b. Establishing a drug-free awareness program to inform employees about: (1) the dangers of drug abuse in the workplace; (2) the Contractor's policy of maintaining a drug-free workplace; (3) any available drug counseling, rehabilitation, and employee assistance programs; and (4) the penalties that may be imposed upon an employee for drug abuse violations occurring in the workplace;
 - c. Notifying all employees in the statement required by subparagraph: (a) above that as a condition of continued employment the employee will (1) abide by the terms of the statement; and (2) notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction;
 - d. Notifying in writing the contracting State Agency and the Indiana Department of Administration within ten (10) days after receiving notice from an employee under subdivision (c) (2) above, or otherwise receiving actual notice of such conviction;
 - e. Within thirty (30) days after receiving notice under subdivision (c) (2) above of a conviction, imposing the following sanctions or remedial measures on any employee who is convicted of drug abuse violations occurring in the workplace: (1) take appropriate personnel action against the employee, up to and including termination; or (2) require such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State or local health, law enforcement, or other appropriate agency; and
 - f. Making a good faith effort to maintain a drug-free workplace through the implementation of subparagraphs (a) through (e) above.
5. Other laws, executive orders and policies that may from time to time be enacted.

The undersigned hereby acknowledges and agrees that:

1. This application form, provided by IHFA to applicants for funding, is provided only for the convenience of IHFA in reviewing reservation requests; completion hereof in no way guarantees eligibility for the funding or ensures that the amount of funding applied for has been computed in accordance with all applicable requirements; and that any notations herein describing requirements other than IHFA's are offered only as general guides and not as legal authority;
2. The undersigned is responsible for ensuring that the proposed development will be comprised of eligible activities; that it will in all respects satisfy all applicable requirements of federal tax laws and any other requirements imposed upon it by the IHFA; and that the IHFA has no responsibility that all or any of the funding allocated to the development may not be useable or may later be recaptured;
3. For purposes of reviewing this Application, IHFA is entitled to rely upon the representations of the undersigned as to the inclusion of costs in eligible basis and as to all of the figures and calculations relating to the determinations of basis for the development as a whole and for each building therein individually as well as the amounts and types of funding applicable thereto, and that the issuance of a reservation based on such representations in no way imposes any responsibility on the IHFA for their correctness or compliance with applicable requirements;
4. IHFA may request or require changes in the information submitted herewith, may substitute its own figures which it deems reasonable for any or all figures provided herein by the undersigned and may reserve funding, if any, in an amount significantly different from the amount requested;

5. IHFA offers no advice, opinion or guarantee that the Applicant or the proposed development will ultimately qualify for or receive funding;
6. Awards of funding are not transferable without prior written consent of the IHFA;
7. If IHFA believes, in its sole discretion, that the Development will not be completed or that any condition set forth in the Application will not be satisfied within the required time period, or will become unsatisfied or will otherwise cause the Development to fail to qualify for funding, the Applicant agrees that IHFA may rescind and retrieve any funding allocated to the Applicant. The Applicant acknowledges that all terms, conditions, obligations and deadlines set forth in this Application constitute conditions precedent to any allocation of funding, and the Development's failure to comply with any of such terms and conditions shall entitle IHFA, in its sole discretion, to deem the allocation canceled by mutual consent. After any such cancellation, the Applicant acknowledges that neither it nor the Development will have any right to claim funding. IHFA reserves the right, in its sole discretion, to modify and/or waive any such failed condition precedent, so long as such waiver does not violate any applicable requirements relating to the Development;
8. The requirements for applying for the funding and the terms of any reservation or allocation thereof are subject to change at any time by federal or state law, federal, state or IHFA regulations, or other binding authority; and
9. Allocations may be made subject to certain conditions to be satisfied prior to allocation and shall in all cases be contingent upon the receipt of the required Application and applicable fees.

Further, the undersigned hereby represents and warrants that:

1. All factual information provided herein or in connection herewith is true, correct and complete, and all estimates are reasonable;
2. It shall promptly notify IHFA of any corrections or changes to the information submitted to IHFA in connection with this Application upon becoming aware of same;
3. It is responsible for all calculations and figures relating to the determination of the costs for any and all buildings and other improvements, and it understands and agrees that the amount of funding to be reserved and allocated has been calculated pursuant to and in reliance upon the representations made herein; and
4. It will at all times indemnify and hold harmless IHFA against all claims, losses, costs, damages, expenses and liabilities of any nature (including, without limitation, attorney fees and attorney fees to enforce the indemnity rights hereunder) directly or indirectly resulting from, arising out of or relating to IHFA's acceptance, consideration, approval or disapproval of this Application and the issuance or non-issuance of an allocation of credits in connection herewith.
5. Applicant hereby authorizes IHFA and its successors, affiliates, agents and assigns to utilize in any manner and at any time, any photograph, picture or other medium (collectively "photographs") of the property covered by this Application, without limitation, in any and all matters, publications or endeavors, commercial or noncommercial, undertaken directly or indirectly by IHFA at any time on or after the date of this Application without any limitation whatsoever. Applicant understands that: (i) it is relinquishing any and all ownership rights in any such photograph, picture or medium to IHFA; and, (ii) it is relinquishing any and all legal rights that it may now or hereafter have to, directly or indirectly, challenge, question or otherwise terminate the use of the photograph by IHFA.

Legal Applicant: _____

by

Signature, Authorized Official

Name (typed or printed)

Title

Date

ATTESTED TO:

Signature

Name (typed or printed)

Title

Date

